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July 6, 1992

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Donna R. Searcy  
Secretary  
Federal Communications Commission  
1919 M Street, N.W.  
Washington, D.C. 20554

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Dear Ms. Searcy:

Enclosed for filing, please find an original and 10 copies of MessagePhone's Comments in the Matter of Billed-Party Preference For "0+" InterLATA Calls. A copy for each Commissioner is included.

Please acknowledge receipt of this filing by date stamping the extra copy and returning it to MessagePhone in the self-addressed envelope provided.

Sincerely,

Douglas E. Neel  
Vice President,  
Regulatory Affairs

Enclosures

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FEDERAL COMMUNICATIONS COMMISSION  
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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

In the Matter of  
Billed-Party Preference  
For "0+" InterLATA Calls

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CC Docket No. 92-77

TO: The Commission

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JUL 7 1992

COMMENTS FCC MAIL BRANCH

MessagePhone, Inc.

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Dated: July 6, 1992

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TO: The Commission

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COMMENTS

FCC MAIL BRANCH

Pursuant to Section 1.415 of the Commission's Rules, 47 C.F.R. Section 1.415 (1991), MessagePhone, Inc. ("MessagePhone")<sup>1</sup> hereby comments on the above-captioned Federal Communications Commission ("Commission") Notice of Proposed Rulemaking, 7 FCC Rcd 3027 (1992) ("NPRM"). In this NPRM, the Commission proposes establishing rules for billed party preference ("BPP") routing of interLATA operator calls from public telephones.

Increased service options, greater consumer accessibility, improved reliability, and competitive prices are among the public interest benefits to be gained from BPP. Thus, MessagePhone recommends adoption of rules providing for prompt implementation of BPP on calling and credit card, collect, and third party billed calls.

Such prompt implementation of BPP is achievable. As detailed herein, a later generation of a technology, initially

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<sup>1</sup> MessagePhone is a Texas-based research and development company. It has developed and patented several caller-activated services, including Automatic Message Delivery Services ("AMDS").

developed by MessagePhone to offer AMDS, is capable of providing BPP for all public and private pay telephones. This technology currently is being marketed, partially under license granted by MessagePhone, to the Regional Bell Operating Companies ("RBOCs") by Unisys Corporation ("Unisys").<sup>2</sup>

## I. SUMMARY

One of the principle goals of the Modification of Final Judgment ("MFJ")<sup>3</sup> is the establishment of universal equal access. Pursuant to Section (A)(2)(ii) of Appendix B to the MFJ, the RBOCs unequivocally were required to

offer ... exchange access that permits each subscriber automatically to route, without the use of access codes, all the subscriber's interexchange communications to the interexchange carrier of the customer's designation.<sup>4</sup>

When ruling on the appropriate mechanism to ensure that such equal access is provided pay telephone users, Judge Greene held "that a system which permits the billed party to select the interexchange carrier of his choice simply by dialing 0+ most perfectly comports with the language and purposes" of the MFJ's

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<sup>2</sup> MessagePhone's technology also is being marketed by Cordell Mfg., Inc. ("Cordell") and Quadrum Telecommunications, Inc. ("Quadrum").

<sup>3</sup> United States v. American Tel. and Tel. Co., 552 F.Supp 131 (D.D.C. 1982), affd. sub nom. Maryland v. United States, 460 U.S. 1001 (1983) ("AT&T").

<sup>4</sup> AT&T, 552 F.Supp at 233.

equal access requirements.<sup>5</sup>

In the NPRM, the Commission intends taking another step closer to fulfilling this goal of true and complete equal access. It solicits information regarding the merits of an automated BPP routing methodology for 0+ interLATA pay telephone traffic and for other types of operator-assisted interLATA traffic. Instead of the current 0+ routing methodology, where interexchange calls dialed from equal access areas are routed to an operator service provider ("OSP")<sup>6</sup> preselected by the owner of the telephone or the owner of the premises where the telephone is located ("premises owner"), under BPP the choice of OSP would be provided to the party who will be billed for the call.<sup>7</sup>

Adoption of BPP is in the public interest. Under the current system, because the technology has not been in place to permit BPP, the premises owner selects the OSP that best serves its needs rather than the user's needs. This usually means that the presubscribed OSP is not the one which offers consumers the best deal but is the one which will pay the premises owner the most in commissions.

In contrast, upon implementation of BPP, the party paying for the interLATA call will have the opportunity to select the

<sup>5</sup> U.S. v. Western Elec. Co., Inc., 698 F.Supp 348, 361 (D.D.C. 1988) ("Western Elec.").

<sup>6</sup> The Commission defines OSP to include network-based interexchange carriers ("IXCs") that "provide operator services, and IXCs that offer their own operator service functionalities while procuring network transmission capabilities from other carriers." NPRM, 7 FCC 3027 at n.1.

<sup>7</sup> NPRM, 7 FCC Rcd at 3029.

OSP which best suits its needs in terms of price, payment requirements, and reliability. No longer would consumers be forced to use an access code to exercise this choice. No longer would consumers be defaulted to OSPs selected for reasons totally divorced from competitive pricing or quality of service.

[A] nationwide system of billed party preference for all 0+ interLATA calls is in the public interest. It appears that billed party preference could benefit the users of operator services by implementing the billed party's choice of carrier without complicated dialing requirements on "0" calls and by redirecting the focus of OSP competition for public phone traffic towards the end user and away from the recipient of 0+ commissions.<sup>8</sup>

Not only is BPP in the public interest, but the technology is available to provide such "user-friendly" service today. Contrary to the Commission's assumption that implementation of BPP still is several years away, MessagePhone has developed a BPP architecture that currently is being marketed to the RBOCs. This architecture resides on the "line-side" of the local exchange carrier's ("LEC") central office ("CO") switch and permits the RBOCs to provide BPP and numerous other beneficial consumer services. Because of the reasonable cost of the architecture and potential revenue generated by these services, the architecture presents the LECs with a technology that produces significant returns on investment.

The Commission anticipates that BPP functions would be installed at a LEC's operator service switch ("OSS").<sup>9</sup> However,

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<sup>8</sup> NPRM, 7 FCC Rcd at 3029.

<sup>9</sup> Id.



when compared to MessagePhone's line-side technology, installing BPP functions at the LEC's OSS will result in an inferior service. Components of the line-side architecture function independently of the LECs' embedded network switches. This allows new services, like BPP, to be designed, tested, and implemented with a fraction of the time and cost involved when adding new service software to network switches.

Opposition to BPP implementation can be expected from AT&T and other OSPs.<sup>10</sup> For obvious self-interests reasons, these opponents likely will argue that the anticipated benefits from BPP are "insubstantial."<sup>11</sup> This criticism is totally unjustified. As detailed herein, MessagePhone's line-side technology promises delivery of numerous features, including BPP, which will provide consumers the opportunity to save money and receive effective telecommunications services. Thus, it is incumbent upon the Commission to recognize that MessagePhone's line-side technology will be an essential ingredient in obtaining the pro-consumer benefits of equal access.

Until now, the public has been hostage to the premises owner's expediency and has had limited options for selecting interLATA OSPs. Worse yet, even with the availability of line-side BPP technology, RBOCs have been reluctant to make the necessary investment to implement this service until regulatory uncertainty over its status is resolved favorably. The

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<sup>10</sup> Id. at 3030.

<sup>11</sup> Id.

Commission now has the opportunity to eliminate this uncertainty and to place the choice of OSP where it should be -- with the consumer. With the availability of MessagePhone's technology, there is no excuse to delay any longer.

## II. THE COMMISSION SHOULD MANDATE IMPLEMENTING AUTOMATIC BILLED PARTY PREFERENCE

In the NPRM, the Commission identifies several public interest benefits that would be provided by BPP.

Billed party preference could make operator services more "user-friendly." Under billed party preference, callers would be able to make all of their operator-assisted calls on a 0+ basis, and they could do so with the knowledge that their call would be automatically handled by the OSP with which the billed party wishes to do business. At the same time, billed party preference would preserve all of the options that callers currently have with regard to OSP choice. Callers would be free to use one OSP for all of their 0+ calls or they could vary the OSP simply by varying the calling card they chose to use for a particular call. In addition, any caller would be able to "dial-around" billed party preference by dialing an OSP access code.<sup>12</sup>

BPP would eliminate the need for consumers to recall and dial an access to reach the carrier of choice.<sup>13</sup> Introduction of BPP would "focus competition in operator services towards end users" and away from which OSP offers the most commissions to the premises owner.<sup>14</sup>

Parity in the OSP marketplace could increase because AT&T's

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<sup>12</sup> Id.

<sup>13</sup> Id.

<sup>14</sup> Id.

leverage and ability to make higher overall commission payments than its competitors, as the OSP with the largest customer base, would decrease. Instead, every IXC would have the same opportunity to offer interested consumers 0+ dialing regardless of its customer base size.<sup>15</sup>

Such consumer benefits were envisioned under the equal access provision in the MFJ.<sup>16</sup> Unfortunately, until now, the unavailability of BPP technology has prevented these benefits from being fully realized. MessagePhone's technology will contribute to removing these barriers and making BPP universally available on an expedited basis.

#### A. BPP Is Consistent With The MFJ.

Recognition of the public interest potential associated with BPP is nothing new. In two separate opinions, Judge Greene declared that one of the goals of the MFJ was equal access to IXCs from public pay telephones.<sup>17</sup> Indeed, Judge Greene unequivocally held that the choice of IXC must reside with the consumer who pays for the telephone call. Judge Greene recognized that billed party choice is a significant consequence of implementing equal access. For these reasons, Judge Greene preferred implementation of BPP:

<sup>15</sup> Id.

<sup>16</sup> AT&T, 552 F.Supp at 195-97, 233.

<sup>17</sup> Western Elec., 698 F.Supp at 361; U.S. v. Western Elec. Co., Inc., Civil action no. 82-0192, slip op. (D.D.C. 1990).

[t]he choice of an interexchange carrier would lie, and appropriately so, with the one who paid for the call.... In short, the interexchange carrier for each call would be the preferred carrier of the billed party, providing only that it served the originating and terminating locations of the call. Such a system would eliminate any threat of discrimination by the Regional Companies.<sup>18</sup>

The court recognized that it could not mandate BPP at that time because the technology necessary for its implementation had not been "technically perfected" and thus had not been installed and made operational in the RBOC networks.<sup>19</sup> Nevertheless, the court realized that it was unacceptable to route all 0+ calls only to AT&T until the necessary network components for BPP could be installed. Consequently, Judge Greene considered several interim solutions and concluded that presubscription by location owners was the easiest method for implementing equal access from public telephones and was the most convenient method available for consumers to utilize:

[W]hile premises owner presubscription will be an advance over the present system where all public telephone long distance traffic is transmitted by way of AT&T, it will not achieve equal access on the basis of 0+ calling to the extent that the decree contemplates or to the extent that would be achieved by a system which would permit the billed party to make the interexchange carrier selection.<sup>20</sup>

Even though he approved premises owner presubscription, this decision did not sit well with Judge Greene, who characterized this option as not being "entirely satisfactory on several

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<sup>18</sup> Western Elec., 698 F.Supp at 361.

<sup>19</sup> Id.

<sup>20</sup> Id. at 366.

levels."<sup>21</sup> Implementation of BPP remained the court's preferred method for ensuring equal access from public pay telephones. The court identified four reasons why premises owner presubscription was inferior to BPP:

First, except coincidentally, the interexchange carrier selected by the premises owner is not likely to be the same carrier as the one the caller selected for his home or business telephone.

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Second, customer confusion will exist to a significantly greater degree under the premises-owner option than under a system which permits the individual callers themselves to select the interexchange carrier of their choice simply by dialing 0+.

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Third, some customers not only will not know how to reach a particular carrier because of these problems, but many of them will use whatever carrier to which a given public telephone was presubscribed, and this carrier in most cases is likely to be AT&T -- once again perpetuating that company's existing advantage and thus frustrating true equal access.

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Fourth, in their choices of an interexchange carrier, many premises owners are likely to subordinate quality of service and price -- that are of paramount importance to the end users as well as to the purposes of the decree -- to the amount of commission they may receive from particular interexchange carriers. This, too, would be inconsistent with the fundamental purposes of the decree.<sup>22</sup>

For these reasons, while it approved premises owner presubscription and ordered its implementation, the court stated that this option did not fully meet the equal access requirements of the MFJ and ultimately should be replaced by BPP.<sup>23</sup>

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<sup>21</sup> Id. at 366.

<sup>22</sup> Id. at 366-367 (footnote omitted).

<sup>23</sup> Id.

Under these circumstances and given the state of the technology then available, the court was correct in its decision to implement premises owner presubscription. This decision has resulted in a competitive market and the genesis of new businesses and services.

However, the four reasons cited by the court for preferring BPP over premises owner presubscription continue to be valid. Premises owner presubscription is an inferior method of providing equal access. It has resulted in consumer anger and confusion. In many instances, consumers are unable to access their preferred carrier. Even after enactment of protective legislation by Congress and the adoption and enforcement of related rules by the Commission,<sup>24</sup> many consumers continue to be gouged.<sup>25</sup> Judge Greene was prophetic when he envisioned that many premises owners would select carriers and service providers based upon the size of their commission payments instead of upon the quality and price of the service being provided to consumers.

To facilitate the transition to BPP, Judge Greene required that the RBOCs continue to perfect the line information data base ("LIDB") system which, when placed into service, would open

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<sup>24</sup> In 1990, Congress enacted the Telephone Operator Consumer Services Improvement Act, codified as 47 U.S.C. Section 226. Under this legislation, the Commission adopted rules designed to protect consumers from anti-competitive practices by OSPs. Policies and Rules Concerning Operator Service Access and Pay Telephone Compensation, 6 FCC 4736 (1991).

<sup>25</sup> Lanet Gaddy, "OSPs Fight Industry Turmoil," Public Communications Magazine, February 1992, pp. 10-14. This article illustrates that some OSP rates disproportionately continue to rise. See Exhibit A.

access to this necessary technology.<sup>26</sup> In addition, the court stated that it would revisit the issue of equal access from public pay telephones at a future date to determine what further arrangements and orders, if any, were necessary.<sup>27</sup> If the NPRM results in the implementation of BPP, the court should not need to make this return visit.

**B. BPP Is Consistent With The Commission's Goals.**

In the NPRM, the Commission correctly concludes, albeit tentatively, that implementation of BPP is in the public interest.<sup>28</sup> Requiring BPP to route interLATA "0" calls protects consumers, promotes competition, and results in the need for less, not more, regulatory oversight.

The current policy of premises owner presubscription has been beneficial to the telecommunications industry and, at least to a degree, to consumers.<sup>29</sup> However, because of the large commissions they must pay to secure customers, many OSPs charge excessive rates, at least as perceived by the public at large. Consequently, because of their improper practices and because of

<sup>26</sup> Western Elec., 698 F.Supp at 367.

<sup>27</sup> Id.

<sup>28</sup> NPRM 7 FCC Rcd at 3029.

<sup>29</sup> Because of the need to compete for locations and generate new revenues (in part, for commissions), OSPs have introduced many new consumer services. The controversy surrounding those OSPs that gouge consumers has caused all OSPs (including LECs and IXC's that provide their own operator services) to become more accountable to the needs of the public.

the attendant public outcry, the need to regulate OSPs actually has increased, and continues to increase, despite the efforts of Congress, the Commission and state regulatory agencies.<sup>30</sup>

Giving the premises owner the right to determine who provides interLATA operator services clearly is misplaced. BPP appropriately will give the choice to the consumers who use operator services. The end result will be a competitive marketplace where consumers at least will have convenient access to their pre-chosen service provider and, at best, will have access to a wide variety of service providers and carriers. Much of the current need to regulate the OSP industry will disappear. Competition, and the absence of the need to pay commissions to premises owners, should cause the average charge for operator services to decrease significantly.

C. BPP Appropriately Focuses Competition On The Consumer Rather Than On The Location Owner.

The telecommunications infrastructure exists for consumers. The same is true for public pay telephones. They exist for consumers, not for the telephone company, not for service providers, and not for premises owners.

The current system of having the premises owner choose the IXC and the OSP for a particular pay telephone is fundamentally flawed. The history of the OSP industry is littered with

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<sup>30</sup> Exhibit A, Lanet Gaddy, "OSPs Fight Industry Turmoil," supra, at 10-14.



thousands of complaints to state and federal regulatory agencies and lawmakers.<sup>31</sup> The result has been the need for increased regulation.

Yet, despite new laws and increased enforcement activity by the Commission, operator service rates have risen dramatically. These rising costs suggest that the number of unsuspecting consumers who use operator services from pay telephones are paying usurious fees for services (in some cases, as much as \$22 more for a single telephone call).<sup>32</sup> After all, the current system of having the premises owner choose the long distance carrier merely was intended to be an interim solution instigated because equal access from public pay telephones has been unavailable.<sup>33</sup>

As the court suggested, abuse always is possible when the service provider captures market share by paying commissions and not by offering consumers a high quality, competitively priced service. It is reported that some service providers pay location owners as much as 50% of call revenue to the premises owner in commissions.<sup>34</sup> Instead of consumers reaping the benefits of competition, it is consumers who suffer under the present system while premises owners and service providers profit.

<sup>31</sup> See Telecommunications Research & Action Center v. Central Corp. 4 FCC Rcd 2157 (Com. Car. Bur. 1989), application for review pending.

<sup>32</sup> Exhibit A, Lanet Gaddy, "OSPs Fight Industry Turmoil," supra, at 12-13.

<sup>33</sup> Western Elec. Co., 698 F. Supp at 366.

<sup>34</sup> Exhibit A, Lanet Gaddy, "OSPs Fight Industry Turmoil," supra, at 10.

The fruits of the MFJ -- direct dial access, consumer choice, and consumer convenience -- currently can be achieved by technology that exists in the market place. As will be demonstrated herein, the Commission's decision to promote introduction of BPP, and thereby to promote competition, can and should be implemented immediately.

### III. NETWORK ARCHITECTURE FOR BPP

In order to offer BPP efficiently on interLATA 0+ calls from pay telephones, the network must be capable of performing the following functions:

- (1) The network must ask for and collect billing information. Currently, on automated operator telephone calls, this task is accomplished with a BONG tone.<sup>35</sup>
- (2) The network must capture and temporarily store the billing information (typically the calling card number) as it is being entered by the caller.
- (3) The network must evaluate the format of the billing information (calling card number) in order to determine

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<sup>35</sup> Most consumers have been trained so that, after hearing the BONG tone, they have the option of using the telephone key pad to enter their calling card number (instead of reading the card number to a live operator). The network captures and validates the number and uses the number for billing. In this manner, callers avoid the time and expense of using a live operator. Alternatively, if the caller chooses not to enter the calling card number, a live operator comes "on-line" and completes the telephone transaction.

the presubscribed carrier (e.g., differentiate LEC calling card formats from CIID card formats).<sup>36</sup>

(4) If the presubscribed carrier cannot be determined by the card format (e.g., the card being used is a LEC calling card or a bank card), the network must access LIDB or some other data base to determine the presubscribed carrier.

(5) The network must route the call to the billed party's presubscribed carrier.

(6) Unless the LEC is processing the billing for the IXC on a contract basis, the LEC must forward the billing information to the presubscribed carrier (this step saves the caller from having to re-enter billing information).

The network functions for BPP collect telephone calls and third-party billing are very similar to those functions necessary to establish BPP on 0+ calls. For example, the following functions must also be employed for BPP collect telephone calls from pay telephones:

(1) The network must determine that the call is a collect call.

(2) The network must ask the caller for the destination telephone number (e.g., with voice prompts) if it has not been entered. The caller has the option of using the telephone keypad to enter the destination number or stating the number to a live operator.

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<sup>36</sup> In the NPRM, the Commission acknowledges the availability of this technology:

A LIDB query would not be necessary on calls made with IXC calling cards. Under current industry plans for billed party preference, IXC calling cards would have to be in either the CIID or the 891 format. When an IXC calling card was used, LECs would either identify the OSP at the OSS itself by reading the first six digits of the card number, or they would query the issuing IXC's data base for routing instructions.

7 FCC Rcd at 3029 (footnotes omitted).

(3) The network must capture and temporarily store the destination telephone number.

(3) The network must query LIDB or some other data base to determine the called party's presubscribed carrier.

(4) Unless the LEC is processing the billing for the IXC on a contract basis, the network must have the capability of forwarding the destination number and other pertinent LIDB information to the presubscribed carrier for the purpose of billing.

The network functions for BPP calls (including collect and third party bill) can be executed from a variety of locations within the network. The architecture for BPP developed and advocated by MessagePhone actually resides on the "line-side" of the CO switch. This architecture is capable of performing all the steps listed above which are required to process BPP calling card, collect, and third party bill calls for LECs and for other pay telephones providers.

In the NPRM, the Commission requests information on alternatives to implementing BPP by altering a LEC's OSS.<sup>37</sup> MessagePhone's BPP line-side alternative is preferable to altering the OSS for several reasons.

First, the software in the base of embedded switches does not have to be altered to implement MessagePhone's technology. Thus, the LECs can add new network services in at least one-fourth the time and at less cost than it would need to alter the

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<sup>37</sup> NPRM, 7 FCC Rcd at 3029.

OSS.<sup>38</sup>

Second, with MessagePhone's line-side technology, services can be created, tested and implemented without reliance on switch manufacturers. This flexibility is not available if the LEC's OSS software must be altered because switch software is proprietary and new services can be added only by the manufacturer.

Third, implementation of the line-side technology can begin almost immediately after the Commission mandates BPP and could be completed in calendar year 1993. In comparison, altering the OSS could take approximately four years before implementation.

Fourth, MessagePhone's line-side architecture can perform approximately twenty-two (22) additional services, most of which are not currently offered by LECs. These additional services will generate significant new revenues for RBOCS and, according to the allocation of costs, could significantly reduce the cost of implementing BPP. By comparison, altering the OSS only can make BPP available but will cost the same (or more) than

<sup>38</sup> Alteration of switch software for the creation of new services is a lengthy, cumbersome process:

Like main frames, central-office switches are not so easily adapted to a changing market. Switches remain so difficult to program that new features take years to deliver....U.S. West estimated that it would take three years or more to offer [a] simple service -- if it relied on its switch makers to write and test the required software. The programs inside switches are so byzantine that it takes 1,000 programmers to make sure that one new feature won't interact with another in some unexpected way and bring down the entire network.

Peter Coy, "Super Phones, A Special Report," Business Week, October 7, 1991, at 141-142.

installing line-side technology.

This line-side architecture and its associated components presently are being marketed to the RBOCs. The existence of a cost-effective alternative for implementing BPP, currently available to the LECs for installation, presents the Commission with a compelling reason to mandate BPP for all pay telephones.

A. Technology For BPP Currently Exists And Is Being Marketed To The RBOCs.

MessagePhone's line-side architecture consists of three components -- an in-line intelligent platform (or payphone gateway platform ("PGP")), a remote management system ("RMS"), and a network computer platform.<sup>39</sup> The three components actually can work together to offer a wide variety of basic, maintenance and enhanced services, including AMD for pay telephones.

1. The PGP

The PGP is an in-line, intelligent platform capable of performing a wide variety of switching and monitoring functions completely independent of the CO switch and the OSS. These functions include:

- monitoring the telephone line
- BONG tone/voice prompts
- call rating
- collecting and storing DTMF signals originating from the telephone
- analyzing signals to determine card format
- analyzing network signals to determine whether to offer enhanced services
- initiating data base queries

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<sup>39</sup> See Exhibit B attached hereto.

- forwarding stored signals
- coin handling and accounting
- answer supervision
- comparing available rates for least-cost routing

## 2. The RMS and Computer Platform

The PGP is connected to the RMS for rate processing, diagnostics, reporting, and data base management and to a computer platform for voice processing, billing records, and voice announcement capability. The computer platform can reside with an enhanced service provider.

The advantages of such an architecture are self evident. The architecture functions independently of the CO switch. Therefore, new services can be developed, tested and implemented in one-tenth the time and cost required if the same services were to be performed by an OSS or CO switch. Consequently, the LECs would become much less dependent on the major switch manufacturers for the development and implementation of new services.

This architecture, and the associated components, currently are being marketed to the RBOCs by Unisys, Cordell, and Quadrum.<sup>40</sup> In its presentations, Unisys emphasizes several of the services available with the PGP, especially Automatic Message Delivery, Automated Operator Services, Sent-Paid Equal Access to IXC's, and Dial Around Fraud Protection. In addition, the PGP is capable of processing and validating billing information (including debit cards) entered at the pay telephone by means of

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<sup>40</sup> Unisys has given PGP the product name Advanced Paystation Interface System ("APIS").

a card reader.

Recently, Unisys and MessagePhone have notified the RBOCs that the PGP also is capable of providing BPP. The PGP architecture enables it to perform these BPP-related functions:

- monitor the telephone line for operator calls
- play prompts to determine if the call is a calling card, collect or third-party bill call
- play a BONG tone (for billing information) or ask (prompt) the caller to enter the destination telephone number (collect call)
- collect the billing data (or destination number)
- analyze the billing format to determine the caller's presubscribed carrier
- access a data base (e.g., LIDB), if necessary, with use of the RMS, to determine the caller's presubscribed carrier (or, in the case of a collect call, the destination's presubscribed carrier);
- (option) access gateway to alternate and discount carriers; and
- route the call and send the billing information to the presubscribed carrier.

In addition, when the LEC is offering operator services, under contract, for an IXC, the PGP has the capability to complete collect calls by recording the caller's name, calling the destination number (over the presubscribed IXC's network), asking the destination if it is willing to accept billing responsibility, and, after receiving a positive response, connecting the caller to the destination. The line-side architecture also has the ability to store and process billing information.

Because this technology is located on the line-side of the switch, it is possible that, with BPP, access times for service calls actually will decrease. In those instances where the LEC



is performing operator services for the long distance company, access time will decrease in almost all instances.<sup>41</sup>

B. BPP Technology Currently Is Available To The RBOCs For Installation.

Apparently there is a belief by the Commission that the development and implementation of hardware and software for BPP will take many years:

[E]ven if billed party preference proves to be in the public interest, it appears that it could not be implemented for some time.<sup>42</sup>

Likewise, members of the telecommunications community believe it could take three to four years to implement BPP:

New technology would be required by both LECs and IXCs and would not be available for at least 18-24 months after a Commission order. Industry implementation would require an additional 12 to 24 months. Therefore, the earliest BPP could be available for implementation would be 30-48 months after a Commission Order is received.<sup>43</sup>

These experts are misinformed. The PGP technology currently

<sup>41</sup> The PGP, likely located in the originating CO, plays a BONG tone, gathers data, queries LIDB, then transfers the call to the IXC. In contrast, presently calls pass from the originating CO to an IXC point of presence ("POP"). From the POP, the call is transported to an operator service center (hundreds or thousands of miles from the originating caller) where the BONG tone is played. Once the billing data is gathered, LIDB must be queried for validation. Next, the call is transported back into the IXC's pipeline for 1+ calls. This circuitous route would be eliminated with the PGP, thereby decreasing access time.

<sup>42</sup> NPRM, 7 FCC Rcd at 3033.

<sup>43</sup> Comments of Southwestern Bell Telephone Company ("SWBT") at 11, In the Matter of the Bell Atlantic Telephone Companies Petition for Rulemaking to Establish Uniform Dialing Plan from Pay Telephones, RM-6723 (emphasis added).